



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 24, 1994

Mr. William J. Almas
Manager of Environmental Affairs
Energy Fuels Nuclear, Incorporated
One Tabor Center Suite 2500
1200 Seventeenth Street
Denver, Colorado 80202


Dear Mr. Almas:

Re: Surety Estimate Updates, Umetco Minerals Company, Hecla Shaft, Redd Block IV, Pandora Mine, M/037/043, M/037/046, M/037/012, San Juan County, Utah

As requested by you in our meeting on June 21, 1994, please find enclosed the surety estimate updates for the Hecla Shaft, Redd Block IV and Pandora Mine projects. The new estimates project the surety amount five years into the future, i.e. in terms of 1999 dollars. The original reclamation estimates were escalated to 1994 dollars using the actual inflation rates. These 1994 base amounts were then projected into 1999 dollars using an average inflation rate of the past three years.

If you have any question please feel free to call me, Wayne Hedberg or Tony Gallegos of the Minerals staff.

Sincerely,


Travis W. Jones
Reclamation Hydrologist

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Enclosures
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